



GOVERNOR GREG ABBOTT

January 20, 2016

Mr. Porter Wilson
Executive Director
Employees Retirement System of Texas
P.O. Box 13207
Austin, Texas 78711-3207

Mr. Brian Guthrie
Executive Director
Teacher Retirement System of Texas
1000 Red River Street
Austin, Texas 78701-2698

Mr. David Gavia
Executive Director
Texas Municipal Retirement System
P.O. Box 149153
Austin, Texas 78714-9153

Ms. Amy Bishop
Director
Texas County and District Retirement System
P.O. Box 2034
Austin, Texas 78768-2034

Ms. Michelle Jordan
Executive Director
Texas Emergency Services Retirement System
P.O. Box 12577
Austin, Texas 78711-2577

Dear Directors Wilson, Guthrie, Gavia, Bishop and Jordan:

I write to provide direction about your agency's application of the Texas Prohibition on Investment in Iran Act in light of President Obama's announcement late last week that he is lifting sanctions against Iran. Put simply, it will continue to be the policy of the State of Texas to prohibit investment of taxpayer dollars in Iran. These sanctions have and will continue to ensure that Texas does its part to prevent taxpayer dollars from aiding and abetting a country that is openly hostile to the United States and its allies abroad.

As you know, the Prohibition on Iran Investment Act prohibits your agency from investing in companies that conduct business with or supply military equipment to Iran. These measures have played an important role in ensuring that Iran, a state sponsor of terrorism, does not directly or indirectly benefit from Texas taxpayer dollars.

Although current Texas law states that Texas' sanctions expire if the U.S. revokes its sanctions against Iran, the president's recent actions to lift some sanctions against Iran do not trigger this provision. While

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the agreement negotiated — and now implemented — by the president lifts nuclear-related sanctions against Iran, other non-nuclear-related sanctions imposed by the U.S. remain in place. Consequently, I am directing your agency to continue the divestment policy required by the Prohibition on Investment in Iran Act.

Thank you for your continued resolve on this important issue. Your implementation of these sanctions help eliminate taxpayer investment in Iran and protect America and its allies abroad.

Sincerely,

A handwritten signature in black ink, reading "Greg Abbott". The signature is fluid and cursive, with the first name "Greg" and last name "Abbott" clearly distinguishable.

Greg Abbott
Governor

GA:jrk